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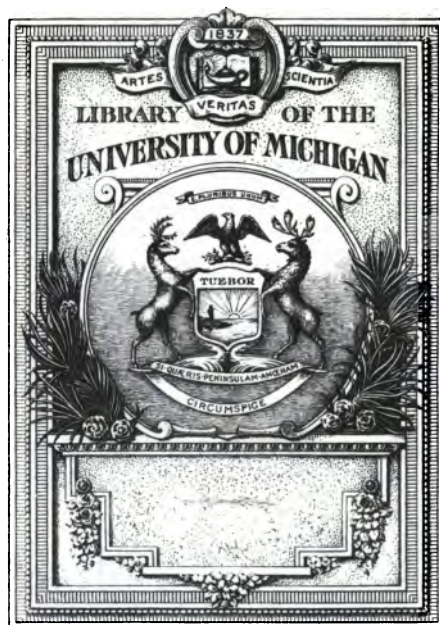
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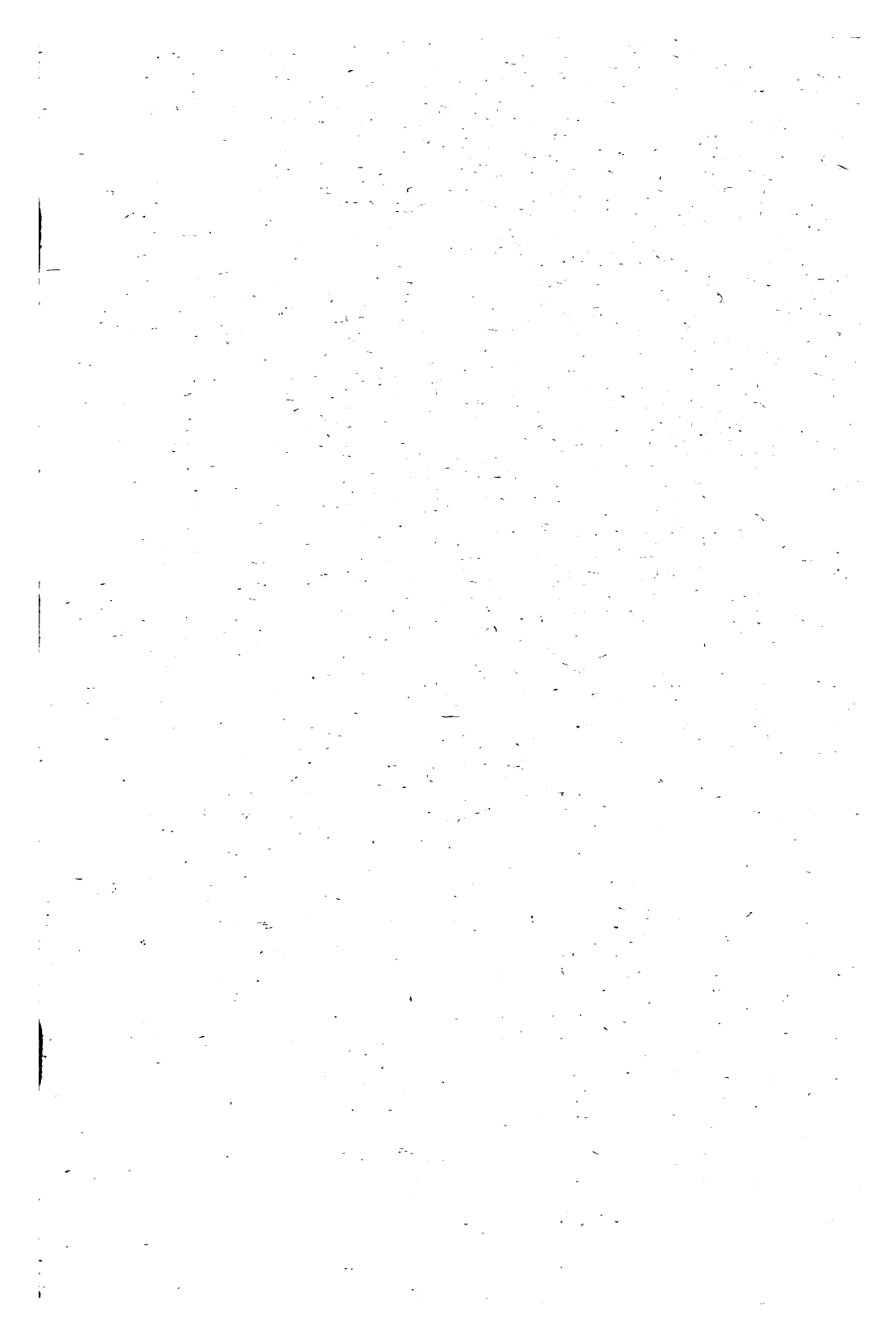
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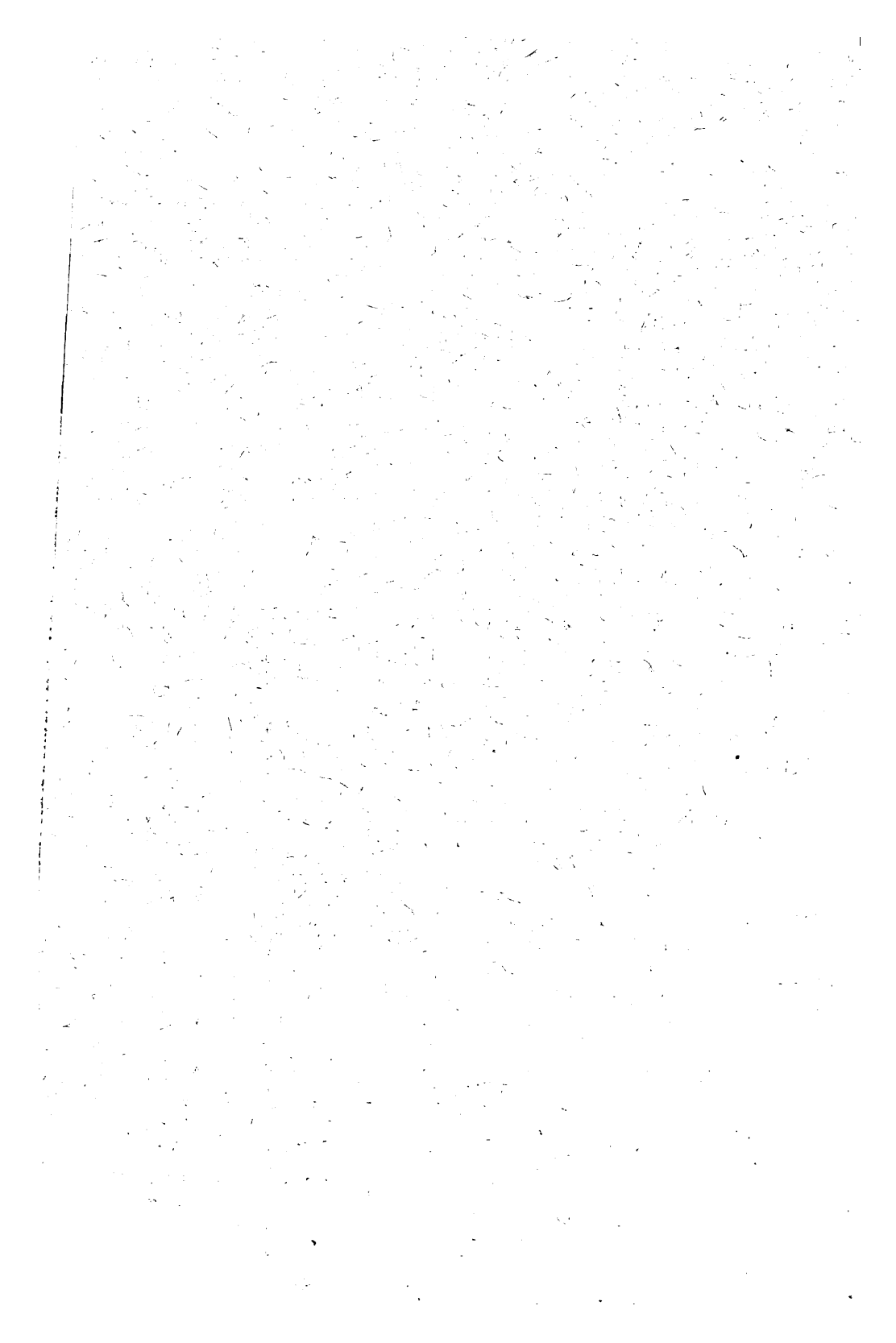
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THE
PRICE OF WHEAT IN EUROPE:

THE PAST A TEST FOR THE FUTURE.

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PRESENT PRICES AND STOCKS

OF

WHEAT IN EUROPE.

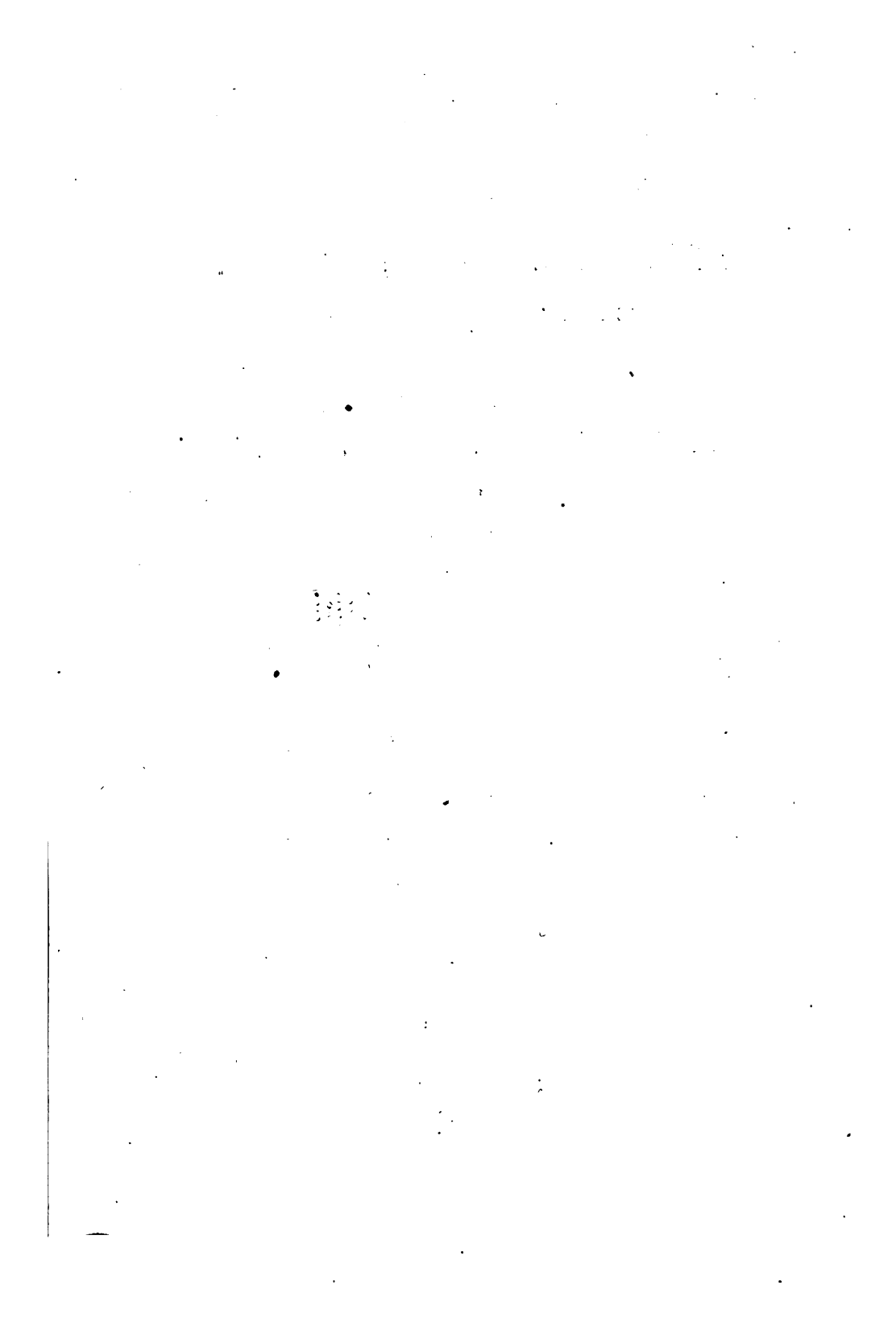
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THE PRICE OF WHEAT IN EUROPE:
THE PAST A TEST FOR THE FUTURE.

(From the Economist, March 2, 1850.)

THE present remarkable condition of the corn markets, not alone in this country, but throughout Europe, involves considerations of the deepest interest to the mercantile as well as to the agricultural classes of this country. The production of grain, whether considered in relation to its paramount importance in connection with the maintenance of the people, or in connection with the extent of the employment which it affords, is unquestionably the most essential industry of this or any other country. The trade in grain, domestic and foreign, is by far the most extensive branch of our commerce. Of foreign grain alone, the value of that imported in some recent single years has exceeded the value of any other single article of importation whatever. As a means for the employment of the capital and labour of the country, there is no other article which bears any comparison in extent with grain. It cannot therefore be a matter of surprise that the greatest anxiety should be manifested for such accurate information as can be fairly relied upon, which may tend to explain the present depressed condition of that trade, or which may throw light upon its future course. There is no doubt a large and influential party in this country who have a short and single answer to the whole difficulty. With them it is resolved into a simple reference to the Corn Bill of 1846 and the policy of free trade. Now, if the distress complained of were confined to this country, and if neighbouring countries whose produce has been so largely thrown into our home markets during the past year were not only free from similar complaints, but were enjoying an unusual degree of agricultural prosperity in consequence of the large new market to which they had obtained access, then there would be more reason for the conclusion at which that party have arrived as to the true cause of the depression of our corn markets. But when it is borne in mind that so far from such being the case, the agricultural condition of France, Belgium, Germany, Mecklenburg, and other neighbouring countries, is to the full as much depressed as it is in this country, and in some, especially in France, even more so, it becomes clear to every candid mind that there are other and more general causes in operation than merely the change which has taken place in the laws of this country. What those more general, and as we shall show, more important, causes are, and whether they are likely to be permanent or not, are questions of the highest importance, and as much so in a commercial as in an agricultural view.

We recently received the following letter from an eminent Liverpool merchant, which suggests the great importance of a careful inquiry into this subject at the present time:—

To the Editor of the Economist.

SIR,—Your valuable articles on the wheat trade have supplied, to a great extent, the information now most wanted both by the agricultural and commer-

cial portions of the community, and you are doing much good in bringing forward facts which may give capitalists confidence to invest some of the money now seeking employment in the surplus produce of these years of abundance, and thus enable us to get over with the less suffering the next seasons of scarcity which may occur.

Your argument is quite effectual in giving a general idea that wheat is now, and may still be, imported at a much lower price than a review of the grain trade of the world for the past ten or twenty years justifies us in expecting can prevail upon an average of seasons. Business men, however, require something very definite to induce them to change their line of policy, and it occurs to me that you could easily furnish them with a few further statistics which would supply the desideratum. I think you could probably lay before them a statement of the average price of wheat for the last ten years at a number of the chief foreign shipping ports, and the average freights from those ports for the same period. Adding these figures together, and striking an average of the whole, with the addition of a fair allowance for profit, commission, insurance, and landing charges, would show clearly at what rate, irrespective of duty, wheat has hitherto been imported, and we should be safe in inferring that, with the greatly increased demand from this country which free trade creates, prices will not in future run lower at the points of shipment than they have hitherto done. I trust you will be able to give this information, as it would be of great value to myself, in common with all others engaged in the grain trade.

Another important question to consider is, in what position should we be to stand a general deficiency in crops (such as occurred in this and most continental countries in 1846), compared with that we occupied then and on other similar occasions in times past, should such a deficiency again take place. We commenced 1846, according to your tables, with a banded stock of nearly two millions of quarters, or about the average consumption of foreign wheat for each of the previous seven years. [A table showing what stock there was in warehouse at the commencement of each former period of scarcity could easily be furnished, and would be extremely interesting and valuable.] In addition to that, there was invariably, previously to our adoption of free trade, a large stock of farmers' wheat retained in the country, often held over for years by the growers themselves, or speculators (a class almost extinct now in the agricultural districts), all of which was available to check any inordinate advance in famine years.

Against those supplies what stock have we now, or are we likely to have, when the next failure takes place, or to what foreign countries can we turn for a prompt supply of such magnitude? And it is to be remembered that our dependence on foreign countries is increasing so much that a supply of four million quarters would not be more felt now than half the quantity a few years ago.

This question is a most serious one, and I fear much evil may at some future period spring from the idea now so prevalent throughout the country, that with free trade we can never have high prices.—I am, truly, your obedient servant,

A MERCHANT.

Liverpool.

The force and importance of these suggestions will be recognised by every one who has paid any attention to the subject; for, however true it undoubtedly is that in the long run, and through a series of years, the cost of production must determine the price of every article, yet it is equally true that the immediate regulator of price at any one time is the relation of supply and demand, without regard to such cost. And it is a still more forcible fact, that these two sole immediate elements of price (supply and demand) are greatly influenced by—opinion. Opinion—determines, for the time being, the acts of the buyer as well as of the seller. Opinion—determines whether the former increases his stock to the greatest amount which his capital and his credit will compass, or whether he keeps it at that reduced point which is barely necessary for his daily transactions. Opinion—determines the latter whether he will press his stock to market, to avoid a further loss by an anticipated decline of price, or whether he will exert all his means to delay his sales in expectation of an improvement. Opinion—alone governs the transactions of the specu-

lator; and here we do not allude to a class of gamblers, sometimes designated as speculators, who rashly run hazards when they can, having nothing to lose and all to gain by the results. By the term we mean that useful body of capitalists who embark their money in any produce of general consumption, which at the moment is unusually abundant and cheap, and which, therefore, offers a fair chance, in the course of a moderate time, to yield a profit. The intervention of such merchants is equally useful to the producer and the consumer; to the former, in modifying the consequences of temporary gluts of supply, or absence of demand; to the latter, in mitigating the effects of periods of scarcity; and to all, in equalising prices. Opinion—then, may fairly be said so far to govern the relation of supply and demand at any particular moment as to constitute the most important immediate element of price. Now it will not be denied that there are existing at this moment many reasons why opinion should be unsettled and very ill-defined. The recent great change in our Corn Laws has introduced an entire new state of things which renders all former experience inapplicable to the present time. The capitalist has as yet no absolute knowledge of the price at which, in abundant years, it will be safe to invest his money with the view of keeping grain for years of scarcity. Of all the great leading articles of commerce, there are at all times stocks on hand, representing the consumption of many months, of some, of more than a year. Of grain, there is not a stock in our public warehouses at this time which would feed the country for a few days. But there is no reason for thinking that when experience has really shown the true effects of a free trade in corn, has taught the capitalist the price at which it will be safe to invest his money, that large stocks will not be constantly kept with a view to the employment of capital, and with the effect of equalising prices. In the meantime, however, while this transition state lasts, and till confidence is restored, it is undeniable that we shall be more exposed to a sudden rise of prices in the event of a failing harvest than at any former period. Then, large stocks were generally held both in our bonded warehouses at home, and in the ports on the continent. Now, those stocks are reduced to the lowest point, and it is plain they will remain so as long as opinion is against a rise of price; for what but such an expectation could induce merchants either abroad or at home to incur the further costs of warehousing and keeping their grain? As it is, nearly the whole of the importations for some months past have been sold direct from the ship to the consumer, at a great loss to the shippers abroad, on whose account it has been consigned.

But another very apparent reason which has destroyed the confidence of the usual dealers in grain, and which has deterred capitalists from embarking in it, has been the influence produced on opinion by the protectionist agitation during the last six months—for which purpose the wildest exaggerations have been freely and industriously circulated, as if its only object were the destruction of the agricultural classes. The course pursued has alike alarmed the farmers to become hasty sellers, and deterred the dealer and the capitalist from becoming buyers.

It is then evident that the great thing which is now required, in order that the public may be enabled to judge of the real character of the present crisis of alarm and low prices, is the ability to estimate, from reliable data, what the future price of wheat

through an average of years is likely to be. For it will be freely and generally admitted, that no pursuit is to be judged by single years, but by the fair average of a reasonable number of years. Whatever reason there may be in this country for rejecting the experience of past years as a test of the prices of future years, owing to the recent change of our laws, no such reason exists abroad. On the contrary, whatever effect is produced upon our prices in this country, reducing them below those of former years in consequence of the free importation from other countries, the opposite effect should be produced abroad; and at least, therefore, it may be considered that the average prices of the last ten years, in such countries, is a fair criterion of what the average price will be during the next few years. If we can arrive at this point, then we shall have a satisfactory basis on which we can judge of the future price in this country, so far as it is influenced by importations from abroad. And here we would remark, in relation to prices generally, that however desirable it may be for the interests of the consumers to have the greatest possible abundance of food, and consequently the lowest price—yet it is not to their interest that such price should be below the cost of production, as in that case a reaction is certain to follow—scarcity and high price to succeed, and present abundance and cheapness must prove but a temporary blessing.

Whatever permanent reduction in the price of grain may take place in this country in consequence of improvements of cultivation and its extension to lands now waste, will not be regarded as a disadvantage to agriculture, but the contrary. The real question which disturbs the minds of those interested in that pursuit, is, how far prices are likely to be permanently reduced by imports from abroad, and the extent to which this country is likely to be supplied by foreign countries. In the last number of this journal we published an account showing the importations of wheat and flour from each country of the world in 1849. The total quantity imported was 4,835,400 quarters, but in addition to this unprecedented quantity, there was a stock on hand on the 1st of Jan. of wheat and flour, imported no doubt with a view to the opening of our ports on the 1st of Feb., of no less than 815,000 quarters, making an entire supply of foreign wheat in the year of no less than 5,650,400 quarters, of which 5,634,000 quarters have been entered for consumption.—(*See Annual Tables of Trade and Navigation.*)—Let us shortly examine from what countries and under what circumstances this large quantity of wheat was chiefly imported. By reference to the table at page 199 of our last number, it will be found that the chief countries of supply were:—

| | |
|---|--------------|
| France | Qrs. 742,023 |
| Prussia | 618,734 |
| United States | 617,131 |
| Russia | 600,375 |
| The Hanse Towns, and adjacent ports | 488,983 |
| Belgium | 366,098 |
| Holland | 308,482 |

Let us shortly consider in detail the circumstances under which these importations have taken place from each country, in order to form an opinion how far they are likely to continue at present prices.

1. France.—The first and most remarkable feature which is observable in these returns, is that France, which for many years past has usually been an importing and not an exporting country, and where the average price of wheat has usually been so much

above that which has ruled in our markets during the past year, should all at once have become the largest exporter of Europe. According to a table extracted from the French Custom House returns, it appears that in the ten years 1839 to 1848, the quantity of wheat and flour imported into France was 12,200,000 quarters, of which 5,700,000 quarters were re-exported, leaving a balance for home consumption of 6,500,000 quarters, or at the rate of 650,000 quarters annually of foreign wheat, which has been found needful to complete the quantity required for the consumption of the country over and above the produce of France. As a source of permanent and ordinary supply, therefore, this fact alone would not induce us to look to France. And we are the less inclined to do so when we consider the very backward state of agriculture in that country, and the extremely small produce of the land, which appears to have been stationary for nearly sixty years. In 1790, when Arthur Young visited France, he gave the average produce of wheat as 15 to 16 bushels to the acre. Shortly before the late revolution, Louis Philippe employed MM. Rubichon and Monnier, to make a careful agricultural survey of France. According to their account it appears that the average produce of wheat per acre does not even now exceed 16 bushels, a yield not more than one-half of the average of wheat land in England. Whatever social effect the minute subdivision of land in France may have had, it is plain that in an economical and agricultural point of view it has been most prejudicial. While the average produce of wheat in England has advanced from 18 bushels per acre to at least 32 bushels, that of France has remained nearly stationary. With regard to the price of wheat in France, a great and sudden change seems to have taken place immediately after the late revolution, which, though in the first place perhaps caused by that event, seems to have continued under some more general reason, which we are informed is the succession of three of the largest harvests, in 1847, 1848 and 1849, ever known in France; aided also by a reduction of consumption, and even more by the destruction of private credit, which has injured the intermediate dealers, and which has induced all parties to keep smaller stocks. For ten years prior to 1848, the average price of wheat in the whole of France was 51s 2d per quarter, according to an official return from the French government. In 1848 it fell to 39s 9d, and in 1849 to 33s 9d. The following are the exact particulars, extracted from the French returns, converted into English money per imperial quarter, at the rate of 25 francs to the *pound* sterling, and taking 3 hectolitres to the quarter, the exact proportion being 2.907813:—

Average price of WHEAT in the whole of FRANCE for 12 years, 1838 to 1849.
Per Hectolitre. Per Quarter.

| | f | c | s | d |
|--------------------------------|----|----|-----------|----------|
| 1838 | 19 | 51 | 46 | 9 |
| 1839 | 22 | 14 | 53 | 0 |
| 1840 | 21 | 84 | 51 | 6 |
| 1841 | 18 | 54 | 43 | 3 |
| 1842 | 19 | 85 | 46 | 9 |
| 1843 | 20 | 46 | 49 | 8 |
| 1844 | 19 | 75 | 47 | 3 |
| 1845 | 19 | 78 | 47 | 3 |
| 1846 | 24 | 05 | 57 | 6 |
| 1847 | 29 | 01 | 69 | 7 |
| Average ten years | | | 51 | 2 |
| 1848 | 16 | 65 | 39 | 9 |
| 1849 | 14 | 15 | 33 | 9 |

Thus we find that for *ten* years preceding the late revolution, the average price of wheat in France had been 51s 2d the imperial quarter; for *eleven* years, including the first after the revolution, 50s 1d; and for *twelve* years, including the extraordinary year of 1849, it was 48s 9d.

2. Belgium.—Turning to Belgium, the next nearest country which has contributed largely to our supplies during the last year, we find the average prices of past years fully as high. In Belgium, no doubt, agriculture is in a much more advanced state than in France, but the population is much more dense, and its production is not usually equal to its consumption. Indeed so much has Belgium become dependent upon foreign imports of late years, that their corn law, made in imitation of our law of 1828, and which was for the last four years suspended by annual bills, has just been repealed altogether, and a small registration duty of 1f per hectolitre has been substituted in its place. According to an official return from the Belgian Government, the average price of wheat in the whole of that country for the last eleven years was as follows:—

Average prices of WHEAT in BELGIUM in 11 years, converted into English Money and Imperial Quarters, at the rate of 55f to the pound sterling, and 3 hectolitres to the quarter.

| | Per Hectolitre. | | Per Quarter | |
|-----------------------|-----------------|----|-------------|---|
| | f | c | s | d |
| 1839 | 23 | 04 | 55 | 3 |
| 1840 | 21 | 55 | 51 | 6 |
| 1841 | 20 | 06 | 48 | 0 |
| 1842 | 22 | 21 | 53 | 0 |
| 1843 | 19 | 44 | 46 | 9 |
| 1844 | 17 | 76 | 42 | 6 |
| 1845 | 20 | 37 | 49 | 0 |
| 1846 | 24 | 26 | 58 | 0 |
| 1847 | 31 | 15 | 74 | 6 |
| 1848 | 17 | 84 | 43 | 3 |
| Average ten years | | | 52 | 2 |
| The last three months | | | 48 | 3 |

3. Shipping Ports.—Next, turning to some of the chief shipping ports in the West and North of Europe, we find the average prices in each of the last ten years to have been as follows:—

| | Amsterdam, per Imp. qr | Hamburg, in Nov. per Imp. qr | Lubeck, in Nov. per Imp. qr | Dantzic, per Imp. qr |
|--------------------|---------------------------|------------------------------------|-----------------------------------|-------------------------|
| | s d | s d | s d | s d |
| 1840 | 58 10 | 40 0 | 36 0 | 55 0 |
| 1841 | 60 4 | 57 0 | 50 6 | 54 0 |
| 1842 | 41 6 | 36 0 | 30 6 | 44 0 |
| 1843 | 43 0 | 35 9 | 36 0 | 38 0 |
| 1844 | 36 8 | 29 0 | 29 2 | 34 0 |
| 1845 | 58 2 | 49 0 | 48 10 | 49 9 |
| 1846 | 58 10 | 51 0 | 53 4 | 55 0 |
| 1847 | 63 2 | 48 0 | 48 0 | 73 0 |
| 1848 | 50 0 | 43 0 | 40 10 | 44 0 |
| 1849 | 40 6 | 38 0 | 35 4 | 40 0 |
| Aver. of ten years | 50 5 | 42 8 | 40 8 | 48 7 |

We would, however, here remark, that these prices are not derived from official sources, but have been furnished to us by some of the most eminent houses connected with the trade in each port, and we believe are sufficiently accurate for any practical purposes. It should also be borne in mind that the quality of the wheat varies considerably in the different ports quoted; the apparent high average at Dantzic being no doubt caused by the superior quality of the wheat shipped from that port.

4. Prussia.—But perhaps the most important and the most interesting country, in relation to the supply of wheat to this country, is Prussia, not alone on account of the extent of its produce, but also because the quality is of a description which better suits this market than any other. We have lying before us an official return from the Prussian Government of the average prices for a series of years of the different descriptions of grain, in each of the seven Prussian provinces, to which we attach the greatest importance from the well-known care and accuracy with which those accounts are kept. From these tables we extract the following :—

Average price of WHEAT in each of the SEVEN PRUSSIAN PROVINCES, from 1839 to 1848, calculated in *silver groschen* per scheffel.

| | Prussia. | Posen. | Pommern. | Silesia. | Saxony. | Westphalia. | Rhenish provinces. |
|----------|----------|--------|----------|----------|---------|-------------|--------------------|
| 1839 ... | 70 5 | 67 10 | 76 10 | 64 4 | 75 8 | 83 1 | 88 7 |
| 1840 ... | 72 0 | 65 8 | 71 11 | 60 0 | 65 6 | 75 3 | 82 1 |
| 1841 ... | 71 11 | 63 0 | 67 7 | 54 9 | 53 4 | 70 9 | 73 8 |
| 1842 ... | 71 2 | 70 2 | 71 0 | 66 2 | 66 7 | 80 4 | 86 2 |
| 1843 ... | 51 10 | 53 4 | 58 2 | 53 11 | 55 11 | 72 2 | 81 10 |
| 1844 ... | 52 7 | 52 2 | 55 3 | 51 5 | 54 3 | 67 0 | 69 1 |
| 1845 ... | 66 3 | 59 0 | 60 5 | 62 1 | 58 8 | 74 1 | 75 3 |
| 1846 ... | 79 11 | 83 8 | 82 8 | 82 3 | 76 9 | 95 10 | 106 1 |
| 1847 ... | 98 10 | 105 0 | 107 4 | 107 7 | 109 3 | 119 9 | 127 4 |
| 1848 ... | 63 9 | 57 5 | 64 2 | 59 9 | 60 3 | 63 1 | 71 11 |
| Average | 69 10 | 67 8 | 71 6 | 66 3 | 69 1 | 80 1 | 86 2 |

Reducing these calculations into sterling money at the rate of 2s 11d per Prussian thaler, and at the rate of 5½ scheffels to the imperial quarter, we arrive at the following results as the average price in each province in the ten years :—

| | per scheffel in silver groschen | per quarter s d |
|-----------------------|------------------------------------|--------------------|
| Prussia Proper | 69 10 | 36 0 |
| Posen | 67 8 | 35 7 |
| Pommern | 71 6 | 36 11 |
| Silesia | 66 3 | 34 3 |
| Saxony | 67 1 | 36 0 |
| Westphalia | 80 1 | 38 9 |
| Rhenish Provinces | 86 2 | 44 5 |
| Average for the whole | | 37 6 |

From the same returns we find that the average price for the whole of Prussia in each of the years in question was as follows :—

| | per scheffel in silver groschen | per quarter s d |
|---------|------------------------------------|--------------------|
| 1839 | 70 8 | 39 6 |
| 1840 | 70 4 | 36 5 |
| 1841 | 65 9 | 34 3 |
| 1842 | 73 1 | 37 9 |
| 1843 | 62 5 | 32 0 |
| 1844 | 57 5 | 30 9 |
| 1845 | 65 1 | 34 3 |
| 1846 | 86 8 | 44 5 |
| 1847 | 110 9 | 57 4 |
| 1848 | 62 11 | 32 2 |
| Average | | 37 5 |

It thus appears from official documents, the accuracy of which it is impossible to doubt, that for 10 years prior to 1849, the average price of wheat on the spot throughout the whole of Prussia was 37s 6d per quarter, and which price included wheat of all qualities, much being totally unfit for exportation.

The next consideration is the cost of transport, first to the shipping port and then to London. Mr Gibson, the British Consul

at Dantzic, furnished a detailed estimate of the cost of bringing wheat from the great grain districts to that port. From the nearer districts it was from 3s 5d to 4s 2d per quarter, but it increased as the district receded from the port to as high as 9s 2d per quarter, but of course the price paid in those most remote districts is proportionately lower than in the nearer districts. But for the average cost of removing wheat from the Prussian Provinces, let us assume it to be only 3s 9d the quarter, making every allowance for improved conveyance, and let us assume the freight from Dantzic at the very moderate rate of 4s the quarter, then the cost of bringing wheat from the interior of Prussia to the London market may be thus stated :—

CHARGES from the Interior of Prussia, per quarter.

| | s | d |
|--|-----------|----------|
| Expenses to the port of Dantzic..... | 3 | 9 |
| Shipping charges and dues there | 1 | 6 |
| Freight and primage | 4 | 0 |
| Sound dues | 0 | 6 |
| Insurance, average rate of winter and summer | 1 | 0 |
| Entry and lighterage | 0 | 6 |
| Meterage inward | 0 | 6 |
| Landing..... | 0 | 4 |
| Loss and damage in quantity on voyage not covered by insurance | 0 | 9 |
| Commission for sale | 1 | 0 |
| Meterage portion paid by seller | 0 | 4 |
| Delivery..... | 0 | 3 |
| Duty | 1 | 0 |
| Interest during voyage, and credit given | 0 | 7 |
| Total | 16 | 0 |

So that, even supposing the cargo is sold on arrival, and thereby avoiding the expense of warehousing, and without the intervention of a factor, the cost of bringing wheat from the place of growth in Prussia to London is 16s the quarter. Then in the lowest year of the ten quoted, the average price was 29s 2d (1844), to which if we add 16s, it will give a price of 45s 2d, at which Prussian wheat could be delivered here in that year, and if we take the average price of ten years, the price here would be 53s 6d per quarter. We have not the price in Prussia for 1849, as it is not yet published, and therefore for that year we are unable to make any calculation.

But high as these prices may appear, they are not so high as the net prices which this country has paid for a long series of years for all the foreign wheat imported, irrespective of the duty. It may fairly be assumed that the extent of the cultivation of any article depends upon the prices obtained in a series of years, and that the price actually paid was necessary to maintain cultivation as it has existed; for, had it left more than the ordinary rate of profit, it is fair to assume that cultivation would have extended till it was reduced to the level of profits obtained in other pursuits. No doubt in the case of wheat, and especially under the law of 1848, some allowance must be made for the uncertainty of the trade, for the additional risk, and for the period it frequently remained in warehouse. But, making a due allowance for these drawbacks, let us now examine what was the net price paid for foreign wheat delivered in this country, independent of duty, under the laws of 1828 and of 1842, embracing a period from 1828 to 1846. In the Revenue and Population returns for 1842, we find an account of all the wheat and flour which paid duty at the various rates, from July 1828 to April 1842, of which the following is a copy :—

FOREIGN WHEAT AND WHEAT FLOUR, exclusive of Colonial, entered for Consumption under the Act of 1828, from July 1828 to April 1842.—(See Revenue and Population Returns, p. 64—1842.)

| Duty per qr Paid. | Wheat. | Flour. |
|---|------------|-----------|
| £ s d | qrs | qrs |
| 0 1 0 | 5,788,645 | 1,708,072 |
| 0 2 8 | 2,880,513 | 862,282 |
| 0 5 8 | 1,967,326 | 519,123 |
| 0 10 8 | 820,340 | 243,120 |
| 0 13 8 | 549,717 | 166,521 |
| 0 15 8 | 302,636 | 313,803 |
| 0 18 8 | 77,140 | 44,807 |
| 1 0 8 | 379,073 | 67,036 |
| 1 1 8 | 110,334 | 6,618 |
| 1 2 8 | 79,562 | 18,747 |
| 1 3 8 | 276,959 | 63,767 |
| 1 4 8 | 46,744 | 2,844 |
| 1 5 8 | 28,512 | 1,672 |
| 1 6 8 | 7,191 | 714 |
| 1 7 8 | 2,710 | 711 |
| 1 8 8 | 184,200 | 1,377 |
| 1 9 8 | 61,650 | 101 |
| 1 10 8 | 13,959 | 756 |
| 1 11 8 | 1,496 | 87 |
| 1 12 8 | 432 | 63 |
| 1 13 8 | 908 | 511 |
| 1 14 8 | 396 | 164 |
| 1 15 8 | 154 | 24 |
| 1 16 8 | 326 | 42 |
| 1 17 8 | 314 | 24 |
| 1 18 8 | 154 | 72 |
| 1 19 8 | 151 | 51 |
| 2 0 8 | 3 | 0 |
| 2 2 8 | 7 | 3 |
| 2 3 8 | 4 | 7 |
| 2 4 8 | 16 | 12 |
| 2 5 8 | 62 | 23 |
| 2 6 8 | 10 | 155 |
| 2 7 8 | 7 | 17 |
| 2 8 8 | 3 | 2 |
| 2 9 8 | 2 | 26 |
| 2 10 8 | 8 | 56 |
| Admitted at an ad valorem duty, damaged ... | 2,639 | 250 |
| Duty free for seed | 71 | 0 |
| Total qrs | 13,562,856 | 4,304,730 |

From the same official authority we derive the following statement of the entire quantities of grain of all kinds, and flour, which paid duty under the law of 1828, with the average rate of duty paid thereon. We have added two columns showing the average price in the market, indicated by the amount of duty paid, according to the scale of 1828, and the average net price paid for all the foreign wheat during that period, after deducting the duty. The following is the table :—

FOREIGN GRAIN (exclusive of Colonial) cleared for Consumption under the Act of 1828.—(See Revenue and Population Returns, p. 64—1842).

| | | Average rate of duty paid. | Market price indicated. | Net price to the importer. |
|-------------------------------|------------|----------------------------|-------------------------|----------------------------|
| | qrs | £ s d | £ s d | £ s d |
| Wheat | 13,560,166 | 5 7 | 71 0 | 65 5 |
| Barley | 2,325,570 | 4 8 | 38 0 | 33 4 |
| Oats | 3,534,818 | 6 5 | 27 0 | 20 7 |
| Rye | 344,127 | 3 3 | 44 0 | 40 9 |
| Peas | 919,276 | 5 10 | 42 0 | 36 2 |
| Beans | 1,072,097 | 6 11 | 41 0 | 34 1 |
| Indian corn | 140,241 | 2 10 | 39 0 | 35 2 |
| Buckwheat | 40,625 | 6 2 | 37 0 | 30 10 |
| | | Per qr. | At per qr. | |
| Wheat meal and flour as wheat | 4,304,400 | 6 11 | 71 0 | 64 1 |

By these official returns it appears that the whole of the foreign wheat and flour cleared for consumption from 1828 to 1842 was 14,769,985 quarters, of which 6,290,351 quarters paid only

1s duty, when the price was 73s a quarter, the net price obtained by the importers being therefore 72s : of which a further quantity of 3,126,973 quarters paid a duty of 2s 8d when the price was 72s, leaving the net price to the importer, 69s 4d : and of which a further quantity of 2,145,547 quarters paid a duty of 6s 8d when the price was 71s, leaving a net price of 64s 4d. For the entire quantity of wheat and flour entered for consumption, the average rate of duty which was paid was 5s 8d per quarter on an average market price of 71s, leaving a net average price received by the importers of no less than 65s 4d on the whole quantity of 14,789,985 quarters imported under the law of 1828. No doubt a considerable deduction must be made from this price of 65s 4d for warehouse rent and the cost of keeping ; but as the great bulk was introduced in the years in which it was cleared, the average charge on this head will not be so great as at first sight might appear. So much for the law of 1828.

Then for the law of 1842, according to the Revenue and Population Returns of 1846, there were imported under that law, of foreign wheat and flour 4,517,035 quarters, of which *one-half* paid a duty of 8s the quarter, which indicated a market price under that scale of 65s a quarter, and consequently a net price to the importer of 57s a quarter, less the duty, and for the entire quantity of wheat and flour entered for consumption the average rate of duty which was paid was 11s 4d per quarter, which indicated a net price received by the importer, after paying the duty, of 49s to 50s the quarter. And it should be borne in mind that under the law of 1842 the trade approached so near to one of a uniform and regular character as to have caused very little extra expense for warehouse rent beyond what is likely to be incurred under a regular trade, when confidence shall have been fully re-established.

Our object in this article has been to lay these facts before our readers with the intention of following them up in another article, with others tending to show the present very exceptional state of the corn trade, and with such observations as will at least aid those who are honestly and earnestly desirous to form a correct judgment on this important subject. We know there are many whose more important party objects are consulted by keeping alive unreasonable terror and alarm, and who will above all things deprecate any attempt to quell the existing crisis among the agricultural classes—who, on the contrary, by the course they pursue, whether intentional or not, do all that lies in their power to aggravate the existing depression.

THE PRICES AND STOCKS OF WHEAT IN EUROPE.

(From the Economist, March 9, 1850.)

In our last number we furnished our readers with such details in relation to the grain trade of the West and North of Europe as we had been able to obtain—partly from official—and partly from commercial—sources, which were calculated to enable them to form a correct opinion of the average prices of the last ten years, and—so far as these may be taken as a test—of the probable prices of the future. We now propose to furnish such further details as we have been able to collect of the very important branch of the grain trade as carried on from the chief ports of the Black Sea and the Sea of Azoph, and also as to the general stocks at home and abroad.

The importation of wheat from the Russian ports in those seas, chiefly those of Odessa and Taganrog, have acquired an importance during the last three years that they never possessed at any former time.

Most of our readers are no doubt aware that a very extensive trade has for many years been carried on from Odessa, and the neighbouring ports in grain; that Constantinople, and other ports of Turkey, and that less or more all the other countries bordering on the Mediterranean, have for many years past depended to a considerable extent for their regular supplies of wheat upon those ports. It appears that, notwithstanding the large imports into this country in the two past years, that the entire exports from the Black Sea have not been so large as in many recent years, when our imports were comparatively trivial; and that during the two last years our increased supplies from that quarter have rather been the consequence of a new distribution of their exports than of their entire increase. The growing importance of the trade of that part of Europe renders a somewhat minute examination of the facts connected with it a matter of unusual interest.

We have lying before us the last annual circulars (all dated in January 1850) of Messrs Ernest Mahs and Co., Messrs J. Zuck-erbecker and Co., Messrs Lengrich and Co., and Mr. H. F. Menger, of Odessa, of Messrs William Yeames and Co., of Taganrog, and of Messrs Aggassiz Millesi and Co., of Galatz, all of which furnish valuable statistics of the grain trade for past years, in respect to stocks, quantities exported, and the countries to which it has been distributed. The general accordance of all these circulars on the points referred to entitles their authority to our implicit acceptance. From these circulars we collect the following facts. The quantities are given in the Russian measure of chetwerts,—but which, for the convenience of our readers, we have converted into imperial quarters, at the rate of *six bushels* to the chetwert.

Of wheat, the entire exports from Odessa in each of the last five years were as follows :—

| | chetwerts | quarters |
|------------|-----------|--------------|
| 1849 | 1,714,138 | or 1,285,603 |
| 1848 | 2,089,097 | — 1,544,322 |
| 1847 | 2,775,837 | — 2,081,878 |
| 1846 | 2,124,365 | — 1,593,289 |
| 1845 | 1,918,903 | — 1,439,178 |
| 1844 | 1,315,290 | — 986,468 |

These figures represent the entire exports of wheat from Odessa in the different years in question. Let us now examine how they were distributed, and what portion in each year was allotted to the United Kingdom. The following table is constructed from the circular of Messrs Menger, but which agrees generally with all the others before us :—

DISTRIBUTION OF EXPORTS OF WHEAT FROM ODESSA.

| | United Kingdom. chetwerts | Northern ports of Europe. chetwerts | Mediterranean, including Constantinople. chetwerts |
|------------|------------------------------|---|---|
| 1849 | 844,345 | 26,042 | 824,451 |
| 1848 | 897,904 | 52,727 | 1,108,469 |
| 1847 | 798,918 | 102,451 | 1,963,468 |
| 1846 | 268,639 | 127,116 | 1,723,630 |
| 1845 | 148,768 | 98,230 | 1,671,932 |
| 1844 | 168,288 | 76,800 | 1,199,488 |

1 chetwert is six bushels, or $\frac{1}{2}$ of a quarter.

The most important fact which we discover from this table is, that the great increase of the supplies which this country has received during the two last years, has been caused by a corresponding diminution of shipments to those countries in the Mediterranean which regularly depend upon Odessa for their grain. The change which has taken place in the distribution of the grain exported from Odessa is thus stated :—

| | Proportion per Cent.—To United Kingdom. per cent | North of Europe. per cent | Mediterranean. per cent |
|------------|--|------------------------------|----------------------------|
| 1849 | 50 | 2 $\frac{1}{2}$ | 47 $\frac{1}{2}$ |
| 1848 | 48 | 3 | 54 |
| 1847 | 26 $\frac{1}{2}$ | 8 $\frac{1}{2}$ | 64 $\frac{1}{2}$ |
| 1846 | 12 $\frac{1}{2}$ | 14 $\frac{1}{2}$ | 73 $\frac{1}{2}$ |
| 1845 | 8 | 8 $\frac{1}{2}$ | 83 $\frac{1}{2}$ |
| 1844 | 8 $\frac{1}{2}$ | 3 $\frac{1}{2}$ | 88 $\frac{1}{2}$ |

In the last three years the average proportion shipped to the United Kingdom has been nearly 40 per cent. of the entire quantity. In the preceding three years it was not quite *ten* per cent. A reduction, corresponding to the increase of the shipments to the United Kingdom, has taken place in those to the Mediterranean markets. The reasons which are assigned for this change are threefold :—1. The first considerable change in the proportion shipped to the United Kingdom was in 1847, the year of great scarcity and high prices, when our weekly average price of wheat at one time rose to 104s the quarter, and when our duties were suspended. 2. The next reason assigned, and which is applicable to the last two years, is the deranged and unsettled condition of all the Mediterranean markets, consequent upon the revolutions and political turbulence of 1848 and 1849, which materially injured consumption, destroyed credit, and deprived merchants of their ordinary means of holding stocks and conducting their trade. The grain trade in the Mediterranean has been more a trade from hand to mouth during these two years than at any former period. 3. The other reason assigned is, the exaggerated expectations, on the part of shippers, of the consequences of the ultimate repeal of the duty in this country in February 1849. They had long been accustomed to regard this market as an extremely favourable one when they were admitted to it, because it was only when there existed here a great scarcity and a very high price. The largest exportation to this country, from Odessa, took place during the last six months of 1848, and the first four or six months of 1849; but it is well known that

very great losses have been incurred during the past year in particular upon those shipments. The consequence has been that, for some time past, the shipments to this country have diminished to an insignificant amount. At the last dates, the stocks of wheat at Odessa and the neighbouring ports were reduced much below their usual size at the same period of the year, and the quotations of prices were as follows at

| ODESSA, Jan. 31, 1850. | | per qr |
|---|-------------------|--------|
| Soft Polish wheat, first quality, free on board | 32s 3d to 33s 7d | |
| Fine marketable, ditto | 29s 7d to 30s 11d | |
| Middling, ditto | 25s 7d to 28s 3d | |
| Hard wheats, according to quality (never shipped to Eng- land) ditto | 25s 7d to 32s 3d | |
| —Messrs <i>Ernest Mahe, and Co.'s Circular</i> . | | |

Of these qualities the higher classes only are suited for the English market; say those varying from 30s 11d to 33s 7d, the average being about 32s the quarter. At the neighbouring ports the price is about the same, making allowance for the greater costs of navigation in some instances. At this moment, owing to the small stocks of grain in the ports, and the difficulty of ships obtaining employment, the freights are unusually low, being only from 6s to 7s a qr, whereas the usual rates are from 9s to 10s. But take freight only at 6s; to that must be added at least 6s per quarter more to cover insurance, duty, and all other charges detailed in our last number, making 12s as costs; so that the net cost, without profit, at which wheat of suitable quality could be delivered in this country from Odessa at the present time is from 43s to 45s 7d per qr for the best; and if we are to judge by the small stocks on hand and expected to arrive, compared with the corresponding period of former years, there is no reason to expect a decline from those prices. On the 1st of January the actual stocks in Odessa consisted of:—

| | |
|---------------------------------|--|
| 285,000 chetwerts of soft wheat | |
| 10,350 — Sandomirka wheat | |
| 12,700 — hard wheat | |

308,050 chetwerts, or 331,038 quarters

—of which it is said, “There is amongst the soft wheat in first hands hardly above one-third really fine quality; all the other is less or more out of condition, and therefore not fit for shipment to the Levant or the Mediterranean. Considering this, and the fact that the vessels expected in spring will easily clear our present stock, and that, moreover, new arrivals of wheat cannot well be expected before May or June, it appears rather probable that the present prices of this article will be maintained during the next few months: nay, that they have perhaps not reached their highest.”—*Messrs Lengrich & Co.'s Circular*.

The stocks at the corresponding dates of the preceding four years thus compare with the 1st of Jan. 1850

| STOCKS OF WHEAT at ODESSA, Jan. 1. | | | |
|------------------------------------|-----------|----|----------|
| | chetwerts | or | quarters |
| 1850 | 308,050 | | 331,038 |
| 1849 | 616,000 | — | 464,000 |
| 1848 | 564,000 | — | 443,000 |
| 1847 | 740,000 | — | 555,000 |
| 1846 | 758,000 | — | 563,500 |

In reference to the character of the trade of last year, from

Odessa, Messrs Ernest Mahs and Co. say, "The exports to England, as well as to the Netherlands, have been principally made by Greek houses who have formed establishments in London since the abolition of the Corn laws, by means of which they offer to the consumers on the spot the wheats which they had formerly to purchase here. These operations can barely have afforded satisfactory results up to this time, and it will require no small means, and no little courage, to continue them on the same vast scale as heretofore. The exports to the Mediterranean have been chiefly for Piedmont, Tuscany, and Lombardy. Notwithstanding our navigation has ceased, the demand for our wheat has been rather brisk—the Italian houses are preparing for shipments to take place in the spring, and it is probable that our stocks will be exhausted before fresh supplies can arrive." It appears that the unusually small amount of the shipments in 1850, to the ports of the Mediterranean, have caused a great reduction of stocks in those markets.

Turning to all the other chief shipping ports in Europe we find, on the authority of circulars upon which we can depend, that the following were

| The Stocks of WHEAT, Jan. 1, 1850. | | qrs |
|------------------------------------|-----------|-----|
| Odessa | 231,000 | |
| St Petersburg | 110,000 | |
| Dantzic | 100,000 | |
| Hamburg | 15,000 | |
| Amsterdam | 70,000 | |
| Rotterdam | 35,000 | |
| Bremen | 5,500 | |
| Antwerp (in bond) | 6,000 | |
| Total | [572,500] | |

According to an account just received from Antwerp, the stock was reduced in that port to 3,000 quarters. With the exception of Odessa and Dantzic, the existing stocks in the ports quoted must be regarded as very barely sufficient for their own local consumption, and this accounts for the fact that prices on the continent are very generally on a level with our own, and for the recent very great reduction of imports.

We would now turn to the state of the grain trade at home, and invite attention to the facts connected with it. The existing stocks of foreign wheat appear to be lower than at the same period for some years past. Since the repeal of the Corn laws, wheat is not bonded, but is cleared for consumption on arrival. It is therefore more difficult to obtain an accurate statement of the stocks of foreign wheat than it formerly was. By the aid, however, of one of the most eminent corn factors, we have arrived at what we believe to be an accurate account of the present stocks in London, through personal investigation, and returns obtained from thirty-four public granaries and warehouses, and also from the Commercial, St Katharine's, and London docks. From these returns it appears that the entire stocks last week, including wheat and flour, foreign and British, were:—

| | |
|--|---------|
| Of wheat | qrs |
| Of flour, 214,873 cwt., or equivalent in wheat | 180,436 |
| | 21,292 |
| Total stock in qrs | 242,828 |

And even of this quantity a considerable portion is said to be of inferior quality, imported in 1847, and unfit for the millers' use. From the outports we have been unable to obtain any precise returns, but the stocks are said everywhere to be low.

But what a contrast does this state of things present to that which existed this time last year. On the 1st of February 1849, there were in bond ready to be released, on the expiry of the old law, 1,354,000 quarters of wheat and flour; and in February the importations amounted to 384,000 quarters; making 1,738,000 quarters thrown on the market in one month, followed by no less a quantity than 623,120 quarters in the month of March, making 2,361,000 quarters of foreign wheat and flour brought into competition with that grown at home, during the first three months of 1849. In the present year the importations have been comparatively trivial. In January, of wheat and flour only 212,356 quarters; in February, under 200,000 quarters; and judging from present appearances, it will be still less in the present month. It may be useful here to call attention to the great reduction of imports during the last five months as compared with the same period last year, as a proof—first, that the large stocks on the continent have been rapidly undergoing exhaustion; and, secondly, that the decline of prices here has diminished the inducement to export. These facts are certainly useful at a time when some are endeavouring to show that foreign wheat can be delivered here in any quantity at 26s or 27s a quarter, “*and even much lower.*”

WHEAT and FLOUR Imported in the Months following the Harvest of 1848 and 1849.—(From the Monthly Official Returns.)

| | 1848-49 | | 1849-50 |
|-----------------------|-----------|--|-----------|
| | qrs | | qrs |
| October 1848... | 458,353 | 1849... | 199,503 |
| November | 286,973 | | 345,825 |
| December | 584,816 | 1850... | 228,280 |
| January 1849... | 532,448 | | 212,356 |
| February | 384,335 | ...(not yet quite ascertained, but under | 200,000 |
| In five months | 2,246,425 | | 1,185,964 |

Last year the importations continued on a very large scale in the months of March, April, and May, the quantities being 623,120 qrs, 403,135 qrs, and 481,106 qrs in those months respectively, making an aggregate quantity of 1,507,361 qrs in the three months; whereas in this year, judging from present appearances, the imports during this and the next two months are likely to be very small.

So far, then, as existing stocks, or the prospect of importations of foreign wheat are concerned, the home grower is likely to encounter a much diminished competition. But, then, although the foreign supplies may be much reduced, we have to consider the effect of the abundant harvest of 1849, which, although in some parts of the country the yield disappoints the expectations of the farmers, still proves to be very greatly in excess of the crop of 1848, and is probably about equal to the crop of 1847. This inference would appear to be supported by the returns of the corn inspectors of the sales made in the towns from which the averages are computed. The following are the quantities returned, as published in the *Gazette* weekly, from the begin-

ning of October to the 11th of February in each of the last three years:—

QUANTITIES of WHEAT sold in England and Wales.

| | 1847-8 | 1848-9 | 1849-50 |
|--------------|-----------------|-----------------|-----------------|
| | qrs | qrs | qrs |
| Oct. 8 | 125,084 | 115,552 | 128,149 |
| 15 | 107,161 | 106,857 | 121,305 |
| 22 | 105,718 | 102,264 | 121,654 |
| 29 | 113,486 | 91,709 | 126,760 |
| Nov. 5 | 82,089 | 97,245 | 100,427 |
| 12 | 87,008 | 109,149 | 97,862 |
| 19 | 102,492 | 96,886 | 107,723 |
| 26 | 116,808 | 88,632 | 103,556 |
| Dec. 3 | 116,328 | 89,949 | 97,974 |
| 10 | 116,869 | 84,937 | 104,248 |
| 17 | 112,161 | 87,977 | 100,126 |
| 24 | 119,996 | 98,474 | 106,161 |
| 31 | 125,034 | 85,169 | 95,192 |
| Jan. 7 | 109,435 | 82,970 | 97,913 |
| 14 | 103,222 | 85,554 | 100,864 |
| 21 | 105,184 | 97,367 | 112,603 |
| 28 | 106,263 | 93,855 | 102,951 |
| Feb. 4 | 93,490 | 86,677 | 99,759 |
| 11 | 97,510 | 85,624 | 98,976 |
| | <hr/> 2,045,328 | <hr/> 1,786,247 | <hr/> 2,018,998 |

This table also shows that notwithstanding the very large consumption of foreign wheat and flour since October, which, including the importations of September, and the stocks then on hand, cannot have been much, if any, less than 1,500,000 qrs. the consumption of home-grown wheat has been also much larger this year than in 1848-49, and quite equal to that of 1847-48. And there is one thing quite certain, that the consumption of wheat and flour of all kinds is proceeding at the present moment at a rate to which the past furnishes no precedent.

Of the ultimate effect of the rapid improvement and extension of cultivation, we will not now speak. That will be experienced only some years hence. And the constant tendency of the population to increase in numbers and in their consumption will partly neutralize such effect.

But confining our view to the immediate future, we think few will reflect upon the facts that we have laid before our readers now, and in the last number of the *ECONOMIST*, without coming to the conclusion that the present alarm and apprehension among the agricultural classes are not warranted by the facts as they exist; and, moreover, that causes of an unusual and accidental character have mainly contributed to produce the present panic. There have been many similar periods in former times. The exaggerated fears which then existed, and the rapidity with which supposed over-abundance and extremely low prices were succeeded by periods of famine and high prices, should be a warning to Europe at the present moment.

Mr Jacob made his second official tour in the North of Europe in 1827, for the purpose of collecting information in relation to the production of, and trade in—grain. In his very able and instructive report we find the following passage, depicting the rapid change which had taken place in opinion, between 1825 and 1827, which may be read with profit at this time:—

For a period of several years' duration, 'an opinion was propagated and extensively imbibed, though in opposition to the almost demonstrated doctrines of Malthus, that in every part of Europe the production of the means of subsistence was proceeding with a rapidity far greater than the increase of the population. It was asserted, by what many deemed very high authority, that all the world had carried cultivation too far; that food of every kind was too abundant, and that the inferior arable lands should be sent back to their former unproductive condition. Such statements, confidently asserted, scarcely denied, but never investigated, obtained a degree of credence as extensive as the influence of high names and high pretensions could spread them.

In the year 1825, I found, in all the corn countries of the North-east of Europe, this view of the matter to prevail universally among the grower of and dealers in corn; and it would have been like combating the winds to have contended against the prevalent belief. Every grower of corn, whether on a large or a small scale, affirmed that there was on hand sufficient for several years' consumption. I saw that their barns and granaries on many of the farms were empty, or very nearly so; and the owners, still convinced of the truth of the general opinion, assured me, that though the necessary calls for money had compelled them to sell at however low a price they could obtain, I should find, on proceeding farther, such vast abundance in store as would convince me they were right in their representations. I did proceed; I found no stocks anywhere, but everywhere I found the assurance that farther on I should encounter a superabundant quantity. The farther I advanced from the sea shore, the more scanty did I find the provision of bread corn, but especially of rye, which is the chief food of the country I then visited.

Two years have, however, dissipated these projects, and the illusions to which they owed their birth. I have had opportunities recently of seeing the persons who gave me such descriptions as I have noticed, and of conversing with some of the authors whose publications I have adverted to; they felt the error of their representations; but those who had partaken of the same error were too numerous for any one to feel ashamed of having been betrayed into it.—*Jacob's Report*, 1828.

Experience has sufficiently shown how difficult it is to stem the current of a popular opinion or alarm, in such a case as the present, when those interested are so numerous, so much separated from each other, and have so little access to information. But there is one consideration which cannot be too much dwelt upon in the present instance, which materially aggravates the danger which may arise from an unfounded alarm, which induces all persons to sell whatever they can, and none to purchase whatever is not necessary for their immediate wants. In former years of abundance abroad, on account of the state of our laws, they were compelled to warehouse their wheat to a great extent, both in the interior and in the seaports. During the past year, as the present condition of stocks abundantly proves, no warehousing has taken place either abroad or at home. No impediment has existed anywhere between the foreign producer and the home consumer, and the entire abundance of an abundant year has come direct to our markets; and whilst the novelty of the circumstances, and the alarm of farmers, have deterred the capitalist from legitimate speculation, the whole has passed into immediate consumption, and left the general stocks of Europe, after two very abundant seasons, below their ordinary average at this period of the year.

NOTE.—In reference to our article of last week, we have received the following letter from a gentleman eminent as an agriculturist and landlord, as well as a writer of sound and practical views:—

March 6.

SIR,—Allow me to return you my best thanks for the very able and instructive article in the last *Economist* on the subject of the price of wheat abroad during the last ten years.

You have rendered a great service to the country as well as to the agriculturist, by this well-timed and most satisfactory document:

It is clear we are working off our stock of grain at a fearful rate, and that sooner or later we shall awake to a reality (perhaps a very serious one) far different from that now dreamt of.

I conceive a much longer continuance of very low price, and living from hand to mouth must end in a violent reaction.

It was not, however, to mention this—already familiar to you—that I ventured to address you; but with a view of pointing out two items, wherein I think there is error in your account.

The first is the average price of wheat from 1828 to 1842. You state it at 71s. Now this, I apprehend, is incorrect. I used the same table in 1846, and I made the average price 59s; and that I believe to be accurate, deducting the average rate of duty gives 58s and not 64s.

The next point is the cost of transmitting corn from the places of growth to Dantzic; you take 9s as the highest. It may be true that 9s is the highest for the Prussian dominions; but, as a large portion of the wheat sent to Dantzic—and I believe the best part comes from Galicia and Austrian Poland—that sum does not represent the highest cost of the wheat obtainable at that port. In proof of this I may mention the fact stated by Mr McCulloch in his "Commercial Dictionary," that in 1838, when wheat at Dantzic was selling at 41s 6d per quarter, it was bought at Lemberg at 15s; the difference being 26s 6d.

I mention these points, not with a view to cavil, but in order that so able and valuable an article may be above all criticism.

I remain, Sir, your obedient servant,

Our correspondent has fallen into an error in reading our last article. He is quite correct that the average price of wheat was not 71s from 1828 to 1842, nor is that implied in the article referred to. What we stated was, that the average market price at the time when the whole of the foreign wheat was entered for consumption during that period, as indicated by the amount of duty paid, and in reference to the scale of duties then in force, was 71s. For example, in all the cheap years, which form part of the actual average price of the whole period, little or no foreign wheat was imported or cleared; and it was only in very dear years when the chief quantities were imported and cleared. Thus, of the whole quantity, 6,290,351 quarters paid only a duty of 1s the quarter. This fact indicates that it was brought into consumption when the average market price was more than 78s the quarter, and that the importer therefore obtained a net price, less the duty, of about 72s. In like manner the average rate of duty paid on the whole quantity was 5s 8d the quarter, which indicates an average market price, at the times when the whole was cleared, of 71s, according to the scale of duties of 1828; from which, if we deduct the duty, 5s 8d, leaves 64s 4d as the net average price obtained for all the wheat imported under that law; for it will be observed that the character of the law precluded the foreign grower from selling in cheap years, and compelled him to do so only in dear years. But, taken as the measure of encouragement afforded by this market during those years to continental cultivation, the price of 64s 4d per quarter is the true one; of course making due allowance for the uncertainty of the demand, and for the time it sometimes required to be kept, to which we alluded in our last article.

Our correspondent is also perfectly correct as to the increased cost of bringing wheat from Galicia and Austrian Poland to Dantzic, compared with the Prussian provinces. But practically it comes to the same result; for the further you proceed from the port, while the expenses increase, the price decreases, where there

is a surplus. But as we were dealing with the prices in Prussia, we confined ourselves to the cost of transport from thence to Dantzic ; for it is clear that with a free passage through Prussia to the sea, the Galician wheat when it reaches Prussia must, quality for quality, be the same price as that grown in Prussia. If it were cheaper, it would be detained for local consumption, until the price in Prussia was reduced to the same level ; if it were dearer, it would be supplanted by additional exports from Prussia, until the level should be restored.

THE WHEAT CROP OF 1849. CONSUMPTION.—AGRICULTURAL STATISTICS.

(From the Economist, March 16, 1850.)

THE chief object of our recent articles on the corn trade has been to bring before our readers such facts connected with the past and present state of prices and stocks, as may aid them in forming some opinion as to the future. The result of those inquiries, we think, must be admitted by every impartial mind, has been to show that the corn trade of the continent of Europe during the past year has been of a very exceptional character, and that there is now every reason to believe that the stocks have there been reduced to so low a state, that without some considerable rise above present prices, our importations must henceforth be of the most limited character. A correspondent in Antwerp, one of the most eminent firms of that city, from whence we imported last year 366,000 qrs of wheat, says, "The stocks in the bonded warehouses in Belgium are now reduced to 3,000 qrs, and with respect to the supplies to our interior towns, so scanty are they, and so closely limited to the immediate wants of the country, that if we had an order for 5,000 or 6,000 qrs to execute in a week or ten days, we could not execute it without raising the price 3s to 4s a qr." Generally speaking, so far as we have been able to ascertain by means of a very extensive correspondence for the express purpose, the wheat crop in Europe of 1849 has been inferior to that of 1848, the produce of which the extensive importations into this country during 1849 were received. From this investigation we are led to the conclusion that throughout continental Europe the harvests of 1847 and of 1848 were the largest of any on record. In Belgium, Holland, throughout Germany, and in Southern Russia the harvest of 1849 has proved, with regard to wheat, inferior to those of the two preceding years; and as all the surplus of those years was freely disposed of in the course of 1849, there is no reason to believe that the surplus for shipment in 1850 would under any circumstances be large, and at present prices it is likely to be very small. France alone is an exception to these remarks. There the harvest of 1849 was the third of a series of very extended wheat cultivation and of good crops. But from the nature of the climate and from the proximity to this country, the chief portion of the shipments received from that country in the last three months of 1849 consisted of the wheat of that year's growth. According to the latest accounts from the shipping ports of France, the price of wheat and flour was such as could afford little or no inducement to resort to our markets at our present prices, and the quantities offered for sale had undergone a diminution. Our importations are therefore reduced to the most insignificant quantities. In February, there were imported into the United Kingdom, from all parts, only 180,000 quarters of wheat and flour, against 384,000 quarters in the same month last year.

From all the facts which we have brought to light, with regard to the state of foreign corn markets, we come to the conclusion, that the price of wheat must be chiefly regulated by the supply

at our own home markets during the next six months. There is no question that in some parts of this country, especially in Norfolk and Suffolk, the wheat crop of 1849 has proved the largest in point of yield ever known; while in many counties the expectations which the farmers entertained at the time of the harvest have been considerably disappointed by the result of the yield. In the North of England, also, where the weather during harvest was much less favourable than in the South, the yield is not greater than in 1848, but which in those districts was much better than in the Southern counties. On the whole, however, after having consulted the best authorities, we are disposed to consider the wheat crop of 1849, taking breadth of land and yield together, somewhat above an average. On the other hand, there can be no doubt that the sales have been large since the last harvest. In the first place, the stock in the farmers' hands remaining of former crops in August last, was less than it had been for some years; in the next place, the harvest of 1849 was in the Southern half of the kingdom earlier than usual; and, in the third place, the necessities of farmers in many districts, caused by the bad crop of 1848, have compelled them to sell earlier than usual, and, on account of the low price, a larger quantity, in order to provide the same amount of money; while others, alarmed at reducing prices, have shown no disposition to hold back their stocks. Judging by the sales, as returned from the towns from which the weekly averages are computed, we come to the conclusion that considerably more of home-grown wheat has been sold up to this time in the present year, as compared with last year, and about the same quantity as in the year 1847-48, when the crop was so large.

But when so much depends upon accurate knowledge on this subject, is it not deep reflection upon this country that we are entirely without any means of arriving at it. Much as we are entitled to boast of our advanced institutions in many respects, there is not a country in Europe more destitute of the means of appreciating the relative quality of the crops from year to year, the extent of land cultivated, and the stocks from time to time.

And what is the consequence? The farmer is allowed to go on selling his produce, in total ignorance whether it is probable that the supplies will be deficient or not; and the result is, that when it is discovered, on the approach of the harvest, that the stocks on hand are deficient, and when, in consequence, a considerable advance takes place, the English farmers have exhausted their stocks, and the high price is of little advantage to them, but serves only to increase the profits of the speculator and the importer. We are satisfied that the agricultural party could not obtain so great a boon from the Government by any other means as by the institution of such a system of agricultural statistics as would from year to year enable them at an early period to form an accurate opinion as to the breadth of land sown, and the quality of the crop. Hitherto the expense has been urged as an excuse against such an institution; but looking to the state of the revenue, to the duty which is imposed upon the Government to do everything which fairly lies in their power to aid the agricultural classes in their new position, and especially when it would be equally advantageous to the community at large, we cannot conceive that any just opposition could now be offered to so fair a demand on the part of farmers and landlords as we refer to. As it is, farmers very